



# ***COMMITTEE of the WHOLE***

## ***CITY COUNCIL***

**MINUTES**  
**October 10, 2016**  
**5:00 P.M.**

### **COUNCIL MEMBERS PRESENT:**

S. Marmarou, J. Waltman, J. Slifko, B. Twyman, M. Goodman-Hinnershitz, D. Reed

### **OTHERS PRESENT:**

L. Kelleher, S. Katzenmoyer, C. Younger, W. Scott, G. Steckman, M. Connell, Esq.

The Committee of the Whole meeting was called to order at 5:10 pm by Mr. Waltman.

### **I. Executive Session**

Mr. Waltman announced the need for Council to enter executive session with Attorney Connell to discuss a litigation matter. Council entered executive session at 5:10 pm and exited at 5:47 pm.

Mr. Connell left the meeting at this time.

Ms. Encarnacion, Ms. Castner, Mr. Murray, and Mr. Johnson arrived at this time.

### **II. Downtown Holiday Decorations**

Mr. Steckman stated that the City has received funding earmarked to purchase an artificial tree to be placed at 5<sup>th</sup> & Penn. He requested a resolution be added to this evening's agenda authorizing the deposit.

Mr. Scott explained that Mr. Broad approached him about purchasing an artificial tree. He stated that he was against an artificial tree until he went to view it. He explained that the tree should have a 20 year life span and that it is pre-lit and decorated. He stated that the initial purchase will be for a 34 foot tree but that additional sections can be added up to 50 feet.

Mr. Scott expressed the belief that the City should continue to embrace the "Charlie Brown" theme and suggested that a tree on the mountain be chosen and lit so that it is visible from downtown. He stated that the live tree would be the "Charlie Brown" tree looking down at

the artificial tree downtown. He expressed the belief that this tree should be located near the pagoda so both trees are visible from downtown.

Mr. Cituk and Mr. Palacios arrived at this time.

Mr. Scott suggested continuing to build on this theme and to add lights to trees in parks. He stated that he prefers live trees but that he will also be using artificial trees at his location at 9<sup>th</sup> & Washington beginning in December 2017. He stated that the downtown display will also include the nativity, the menorah and the doghouse.

Mr. Scott stated that if the downtown tree grows to 50 feet it will be visible from the Penn St Bridge.

Mr. Marmarou suggested that the tree be placed in the intersection at 5<sup>th</sup> & Penn where the circle was formerly located.

Mr. Twyman noted support for the artificial tree. He stated that Mr. Broad has been researching this for several years and it will save money.

Ms. Reed stated that the Committee provided everything in 2015 at minimal cost to the City.

Mr. Waltman stated that there is no right or wrong way to celebrate the holidays. He stated that an additional tree could also be located at 2<sup>nd</sup> & Penn. Ms. Reed and Ms. Goodman-Hinnershitz stated that the building owner will not allow that.

Ms. Goodman-Hinnershitz stated that she chaired the holiday committee last year. She stated that she was unable to organize the committee this year. She expressed the belief that the Mayor is very passionate about the holidays. She stated that she prefers live trees but that she will support this initiative. She noted the need to respect all holidays.

Mr. Pottiger arrived at this time.

Ms. Reed suggested that the former members of the Committee be contacted to continue their involvement.

### **III. 2015 External Audit Report**

Mr. Cituk stated that the draft audit was distributed to Council electronically. He stated that the Audit Committee meets tomorrow and that the audit report will be reviewed with Council on Monday, October 17. He stated that the formal presentation will occur at the October 24 regular meeting.

Mr. Cituk stated that the City does have a fund balance but that the pension liability eliminates the fund balance.

Mr. Scott left the meeting at this time.

Mr. Cituk requested that Councilors submit questions to him.

#### **IV. 2017 Budget**

Ms. Goodman-Hinnershitz reviewed the draft budget meeting schedule.

Ms. Goodman-Hinnershitz stated that Council has not yet received the 2017 Position Ordinance. Mr. Steckman stated that the draft has been prepared. He stated that the Administration did not get timely feedback from Mr. Mann. He stated that a proposed position in the Mayor's office was not added so that a police officer can be added.

Ms. Encarnacion distributed the draft Position Ordinance.

Mr. Steckman reviewed revenues as follows:

- Earned Income Tax – the increase is based on current collection levels. He stated that Council will be asked to approve a contract with a new collection agency in the near future for Per Capita, LST and BPT.
- Reading Parking Authority – the contribution will be reduced by \$1 million to allow the Parking Authority to address its capital and maintenance needs.
- Business Privilege Tax – the City is working to find businesses that are not paying their BPT and will collect more in the future.
- Real Estate Transfer Tax – properties in the City are selling quickly at their full price and the market is recovering.
- Sidewalk and Curb Permits – this line item will be removed as there were never any permits issued.
- Quality of Life Tickets – there is a reduction in this line item as the goal is to use the tickets as a last resort after educational methods have failed.
- Housing No Show Fees – many property owners are not keeping their appointments so the number of times this fee is issued is increasing.

Mr. Steckman stated that he works on "carry forward" budgets. He stated that he will be asking Council to assign \$1.5 million into the current budget after the external audit is complete. He stated that this is part of the 2016 surplus. He stated that these funds will be earmarked for blight (\$1 million) and legal costs (\$200,000) associated with anticipated labor arbitration. He stated that without these two items, the City would spend less in 2016 than it did in 2015.

Mr. Waltman questioned if collection of the property tax was still strong. Mr. Steckman stated that it is.

Mr. Waltman stated that the City realizes that collection of the Business Privilege Tax is a weakness. He questioned if other operations that are tied to revenue are strong. Mr. Steckman stated that the City is working to reduce costs. He stated that the City is examining the cost of cell phones at this time. He explained that earmarking funds for blight opens additional grant opportunities for the City.

Mr. Steckman explained that the City requested an additional \$100,000 from CDBG in 2017. He stated that Property Maintenance is now fully staffed.

Mr. Slifko questioned if the contribution from the Parking Authority was realistic. Mr. Steckman expressed the belief that it is. He stated that the Parking Authority is dealing with long-term maintenance issues. He stated that the \$1 million budgeted is per the current lease agreement and that the other line item is money paid for parking tickets issued by the Police Department. He stated that the City requested only \$310,000 additional funding from the Parking Authority for 2017.

Mr. Waltman stated that a future review will look at the budget in conjunction with the Recovery Plan. He stated that future years will also be projected. Mr. Steckman agreed and stated that the City needs to begin long-term discussions with the Parking and Water Authorities regarding their lease agreements.

Mr. Waltman stated that Mr. Mann will project 2017 and 2018. Mr. Steckman suggested that the Parking and Water Authority lease agreements include CPI increases and windfall clauses.

Ms. Goodman-Hinnershitz noted her concern that the City will not collect the projected revenues. Mr. Steckman stated that the Recovery Plan calls for annual increases in property taxes. He stated that the City has worked hard to avoid the tax increase and stated that it is beneficial to the City to have affordable taxes. He noted the need for the City to prepare for the loss of the commuter tax. He expressed the belief that there is approximately \$500,000 to \$1 million of uncollected Business Privilege Tax and that the City continues to look at cost-cutting measures. He stated that they recently cancelled their lease warranties on all the copiers in City Hall saving \$12,000. He stated that cell phones are currently being examined as well as the size of the fleet.

Ms. Goodman-Hinnershitz stated that she was tentative about the contribution from the Parking Authority in the past. She noted the need for additional dialog about this subject.

Mr. Waltman noted the need to be realistic about the contribution from the Parking Authority. He suggested that this be the first "Parking Lot" item.

Mr. Marmarou stated that Parking Authority officials indicated that the funding was available for the City contribution in the past.

Mr. Cituk stated that he is currently reviewing the draft budget. He expressed concern with the increased amount of commuter EIT being earmarked for capital. Mr. Waltman suggested that this item also be added to the "Parking Lot."

Ms. Goodman-Hinnershitz noted the need for Councilors to be comfortable with the budget before it is enacted.

Mr. Steckman explained that he drafts a budget based on revenue. He stated that the revenues must be realistic. He explained that the timing of revenue is not consistent and noted the need for departments not to spend if revenues are not collected. He stated that this is public money and that it needs to be managed well.

Ms. Goodman-Hinnershitz noted the need to review the interaction between the general fund, the capital budget and the CDBG budget. Mr. Steckman stated that Councilors were emailed the draft CDBG budget. He explained that \$1.1 million in the capital budget was not spent in 2016. Ms. Kelleher stated that the CDBG budget is scheduled for review on October 19.

Mr. Slifko questioned if the unexpended capital funds will show on the 2017 draft capital budget. Mr. Pottiger stated that it will.

Ms. Goodman-Hinnershitz reminded all that topics will be revisited as Council moves through the review process.

## **V. Agenda Review**

Ms. Kelleher stated that the Administration has requested the addition of a resolution authorizing the deposit of the funds for the payment of expenses associated with decorating the downtown. She stated that she has requested adding an award of contract to supplement the City Code of Ordinances with a new vendor.

Council reviewed this evening's agenda including:

- Award of Contract – to American Legal Publishing to supplement the City's Code of Ordinances

Ms. Kelleher stated that this is the cost of the initial buy-in and that future updates will be an additional fee. She stated that the initial cost is \$17 per page. She explained that the new vendor will host the Code on their website and do real time updates at no additional cost. She also explained that the vendor will do a full legal review. She estimated that this will save the City approximately \$5,000.

- Resolution authorizing the deposit of funds earmarked to cover expenses associated with decorating the downtown

Ms. Goodman-Hinnershitz stated that the government should remain secular and suggested that the language in the resolution be changed from “Christmas” to “holiday.”

Mr. Waltman stated that this seems agreeable. Mr. Younger stated that the Mayor may not agree. Mr. Steckman stated that although the Mayor is sensitive to this issue he does not believe that the Mayor would object to this change. He stated that the project account will be set up.

- Ordinance setting the salary of the Community Development Director at \$82,000 per year

Mr. Steckman stated that the actual amount should be \$82,900.

Mr. Slifko requested an explanation of the increase. Mr. Steckman stated that Mr. Palacios is currently earning \$82,900 as acting director and that the Mayor indicated that there would be no decrease.

Ms. Kelleher stated that the wording of the ordinance itself states \$82,800. Mr. Waltman noted the need to amend the ordinance. Mr. Cituk left the meeting to confirm the current salary. *(Note: Mr. Cituk returned several minutes later and stated that the current salary is \$82,000.)*

- Ordinance authorizing an intergovernmental cooperation agreement between the City and the Reading School District regarding the collection and recycling of recyclables

Mr. Johnson stated that this is an ongoing agreement and that it is a win-win. He stated that this encourages recycling and teaches the youth the importance of recycling.

- Ordinance adding a budget line item for the PA DCED reimbursement grant for the Asset Conditions Assessment project

Mr. Steckman stated that the assessment is required by the Recovery Plan and funded by a DCED grant and will study the condition of the City’s properties.

- Ordinance transferring funds from cash reserves in the Sewer Fund to the Sewer Fund Engineering line item for engineering related to the waste water treatment plant upgrade

Mr. Johnson stated that the revenue did not match the expense in the budget and the budget amendment is necessary. This will correct an accounting error for this and the next three ordinances.

- Ordinance transferring funds from cash reserves in the Sewer Fund to Engineering Costs for engineering related to the 19<sup>th</sup> Ward Pump Station

Mr. Johnson explained that this is for the design of the pump station.

- Ordinance transferring funds from cash reserves in the Sewer Fund to Engineering Costs for program management costs for all consent decree projects

Mr. Johnson explained that a consultant is used to manage all the consent decree projects.

Mr. Slifko asked for clarification that funds were being transferred from the Sewer Fund to the General Fund. Mr. Johnson explained that the funds must show as revenue in order to pay the expenses.

- Ordinance transferring funds from cash reserves in the Sewer Fund to Engineering Costs for engineering related to the 6<sup>th</sup> & Canal Pump Station Phase II

Mr. Johnson explained that this is also a consent decree project and that this revenue is needed to match the expenses.

Mr. Slifko noted the need for an explanation of all these transfers to the public for their understanding.

- Ordinance amending the 2016 Position Ordinance by removing the Public Property Foreman and adding Public Property Manager, creating a Services Team

Mr. Steckman stated that the Administration already has a person in mind to fill this position. He stated that this will allow the Administration to hold one person accountable.

Mr. Slifko questioned if this was promotion from within. Mr. Steckman stated that it will allow better building maintenance.

## **VI. Petition to Add Agenda Item**

Mr. Waltman questioned when the Petition was received. Ms. Kelleher stated that it was received on Thursday.

Mr. Waltman questioned if Ms. Morrison (the person who presented the petition was in the audience) objected to adding the topic to the October 24 agenda. Ms. Morrison expressed the belief that the next meeting was the one being held this evening.

Mr. Waltman stated that this discussion item will be added to this evening's agenda before Council Comment. He clarified that it will be for discussion only and that if Ms. Morrison planned to make Public Comment that she would be allocated five minutes.

## **VII. Redesign of Rockland St**

Mr. Steckman stated that a meeting of the planners was held after the public meeting. He stated that the plan will be revised if it can meet the safe streets standards. He expressed the belief that four traffic lanes plus two bike lanes will replace the medians. He stated that lighting and beautification will be added to the curb areas. He stated that it is important to remember that the Administration was also caught off-guard by this project as it began before the transition. He stated that the Administration listened to residents. He cautioned that if the funding is not available for the revised plan the Administration may need to re-think the project.

Mr. Waltman noted the need for the residents to review the revised plan before it moves forward.

Mr. Steckman stated that the revised plan will not include the medians. He stated that there are other alternatives.

Mr. Waltman stated that he was in this area this afternoon and that two traffic lanes will not be enough.

Mr. Slifko expressed concern that the TAP funding will not be available to the revised plan. He expressed the belief that this may be why traffic was squeezed to two lanes.

Mr. Steckman stated that the project began as a way to calm traffic due to speeding complaints. He expressed the belief that the revised plan is eligible for TAP funding since the bike lanes will remain. He stated that if TAP funds are not available, he will look at TIFF funding. He stated that using the TAP funds also saves the City \$50,000 for installation of ADA curbing. He stated that the City is responsible for this portion of the project if grant funding is not received.

Mr. Steckman stated that when he exited the Weis parking lot he noticed that a sign is posted prohibiting left turns onto Rockland St from their parking lot. He stated that many people turn left anyway. He stated that enforcement of these left turns may also address some problems with traffic flow and speeding.

Mr. Marmarou expressed the belief that the bike lanes will cause additional problems.

Mr. Steckman explained that the draft Comprehensive Plan, which will be before Council shortly for approval, contains an increase in bike lanes. He explained that bike lanes will be installed on the bridges as work continues. He stated that federal guidelines require bike lanes and if they are not installed the federal government considers the bridge deficient. He stated that adding bike lanes increases bike safety. He clarified that the traffic study for this project occurred while Giant was still open.



Mr. Waltman expressed the belief that changing traffic from four lanes to two lanes will stop traffic, not slow it down. He stated that the street can still have a great entrance feeling without the medians.

Ms. Reed noted the need for the project not to expend City funds.

Ms. Goodman-Hinnershitz stated that biking is increasing around the country. She requested additional information and research about biking. She questioned if the bike lanes end after the portion of the street that is affected by the project. Mr. Steckman stated that bike lanes will be addressed as each street receives maintenance. He reminded all that the local police cannot monitor speed with radar but that a special detail will be logging speeds on Hampden Blvd. He stated that this would also be a great location to add bike lanes.

Mr. Marmarou stated that he has lived in this neighborhood since the 1970's and there have never been bikes on Rockland St.

Mr. Waltman explained that grant funding is only available if streets are accessible with bike lanes.

The meeting adjourned at 6:56 pm.

*Respectfully Submitted by  
Linda A. Kelleher, CMC, City Clerk*